

Guess What?

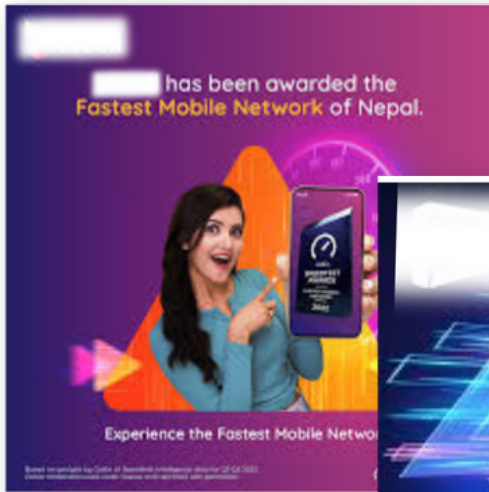
No one cares about your network speeds.

How to Really Win the Hearts and Minds of Subscribers

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Of course, no one is faster; all your competitors are basically the same – same network speeds, phones, and roughly the same service. According to several market surveys, most “Switchers” (those subscribers who leave one Carrier for another) purportedly say that their new Carrier is cheaper, so they switch. Also, up there in Switcher reasons are, “I want more data, better reception, or better plans.” While coverage is a top reason, “I switched because Carrier A says they deliver five more megabits per second than Carrier B,” said no one ever.

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Considering the evidence above, touting your network’s speed is not a big selling point for current and potential subscribers, but price, coverage, and data plans are, right? Yes, but only if you look at why subscribers switch to a new carrier, not why they stay. In this first whitepaper of our “The Path Happier Subscribers and Increased Profitability” series, we will explore the classic brand strategy of winning the hearts and minds of subscribers. Once you have their hearts and minds, not only will these subscribers remain loyal, but they will also become your evangelists.

Why Competing on Price Alone is Not a Good Idea for Mobile Network Operators

Pricing wars are a race to the bottom. For starters, if subscribers choose an Operator based on price alone, they are far more likely to jump ship if a competitor offers even lower pricing. Competing on price decreases profitability and makes your operation reliant on volume. Even then, volume might not be enough to keep your operation viable. Without adequate average revenue per user (ARPU), service suffers, innovation wanes, and commoditization of the industry begins. “The great risk for wireless operators, especially those in mature markets is the trend toward commoditization [that] may eventually lead to a point where they become little more than utilities.” <https://www.strategyand.pwc.com/gx/en/insights/2017/industry-at-risk.html>

To avoid the commoditization fate, operators must turn to a growth mindset that uses innovation to differentiate from the competition and deliver value to their subscribers based on what the subscribers want.



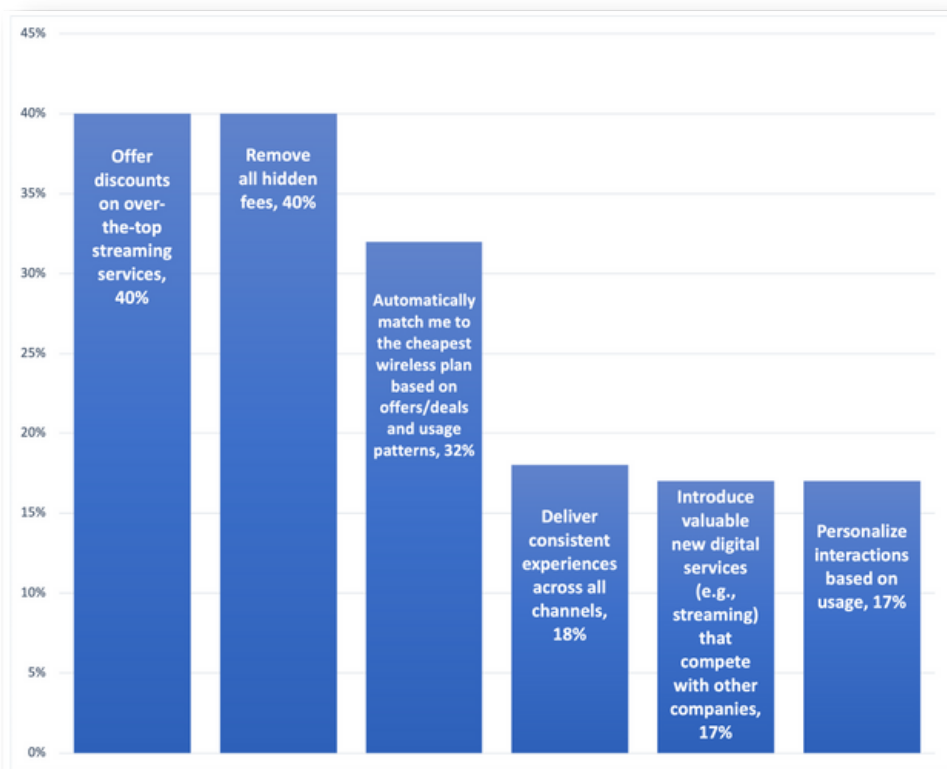
The Satisfaction Trap

Like all good consumer companies, your operation likely conducts satisfaction surveys. And, assuming you're meeting the basic requirements of courteous, efficient, and effective service, your satisfaction scores are probably at least decent. However, an intriguing finding in comparative surveys shows that Fans (those who are happy with your service) are as likely to churn as Risks (those who are unhappy with your service). Most operators put their energy into stopping the Risks from switching but are complacent when it comes to Fans. Given how easy it is to become a Switcher – especially if your competitor is offering to buy out your existing contract, give you the hottest new phone and throw in a new iPad and iWatch – it will take more than mere satisfaction to stop that kind of enticement. The key to preventing churn from both Fans and Risks is winning their hearts and minds. 🙌 Keep reading.



Knowing and Delivering What Subscribers Really Want

One of the fascinating phenomena we see in the industry is the reluctance of operators to talk with their subscribers. The mentality seems to be, "Be quiet, and maybe they won't notice their automatic payments." We all know that having a meaningful relationship with someone is very hard if you don't talk to them. Subscribers want operators to talk to them. They want you to know what they want, and they want you to deliver it. They want to know that you value them and care about their wants and needs. In third-party survey after survey, we see this want validated.



<https://www.salesforce.com/news/stories/telecom-cable-customer-insights-2022/>

Throwing an off-the-shelf loyalty program at the problem isn't going to cut it either. Invest the time and resources into conversations – after all, we are in the communications business, right?

Why Innovation is Vital to Success

Subscribers want their Operators to be innovative. Operators are good at leveraging the innovations of phone manufacturers and the (mostly mandated) network build-outs but need to improve when it comes to being innovative themselves. Winning the hearts and minds of subscribers can and should be enhanced by innovation. Be bold and implement new innovations that are out there today. Be forward-thinking and ask for innovations that will help you deliver what your subscribers want tomorrow.

Innovation = Happier Subscriber + Increased Profitability

Innovation in technology and marketing increases the average PROFIT per user (APPU). APPU is really where the focus for the Operator should be. The more profitable an operation is, the more resilient it is to competition and uncontrollable market forces.

Don't Buy Into Industry Myths

Operators who tout their network speeds while ignoring their subscribers are not winning any hearts, minds, or market share. I look forward to seeing the first carrier ad that reads, "Now delivering 10x more streaming content for less data!" Those will be the Operators who are listening and innovating the industry and winning the hearts and minds of their subscribers and YOURS.

Sky Peak Technologies was founded in 2020 with a mission to decrease data consumption and costs for Mobile Operators and Enterprise Consumers of Satellite Data through the progressive idea of intelligent content shaping. Our flagship product, **CORA Mobile Edge**, on-device technology, rightsizes data-intensive content for smaller mobile devices and effortlessly saves data, bandwidth, and energy while delivering up to 10x more streaming video content. For more product or consulting information, contact: **Michael Baldwin, mbaldwin@skypeaktech.com, (407)201-9922**

